

**IMPLEMENTATION PLAN
FOR THE REDEVELOPMENT AGENCY OF
THE CITY OF FREMONT**

Effective July 1, 2003 to June 30, 2008

(Adopted June 10, 2003)

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(FY 2003/04 THROUGH FY 2007/08)**

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I. INTRODUCTION

1. Purpose of the Plan

This Implementation Plan highlights the accomplishments of the Redevelopment Agency of the City of Fremont during the past five years and establishes policy priorities for the Agency during the next five years (Implementation Period) to redevelop Fremont's four project areas (Niles, Irvington, Centerville, and Industrial). The Implementation Plan sets forth programs and projects that will eliminate blight in the redevelopment project areas and create new affordable housing opportunities in the community during the Implementation Period. The Implementation Plan provides an explanation of how the goals, objectives, programs and expenditures for the next five years will serve to eliminate blight in the Project Area.

2. Current Uncertainties regarding Redevelopment Agency Resources

The Redevelopment Agency faces two key issues that will significantly influence its resources during the Implementation Period. First, the Governor's January 2003 Proposed FY 2003-04 Budget proposes to significantly reduce redevelopment agency funds during the upcoming 15 years. Since the Governor and Legislature have not approved a FY 2003-04 budget, the ultimate impact of the State budget on redevelopment agencies is unknown at this time. Second, the Agency has appropriated funds, and set aside contingency funds, to support the construction of two critical infrastructure projects in the community (the Washington Boulevard grade separation project and the I880/Mission Boulevard/Warren Avenue interchange reconstruction). Until these projects have been bid and ultimately constructed the Agency's total investment in these projects will be uncertain.

The State's budget solution and the ultimate cost of these two critical infrastructure projects will significantly influence the resources available for non-housing projects during the next five years. This Implementation Plan assumes the full impact of the Governor's proposed budget, and the current Agency allocation of funds to the infrastructure projects. **These impacts will result in very limited resources for historic district non-housing projects.** As the State's budget impact becomes known and the costs associated with the infrastructure projects discussed above are clearly established, the Agency will assess its ability to implement non-housing projects.

3. Plan Required by California State Law

AB 1290 and SB 732, enacted in 1993 and 1994 respectively, as a comprehensive reform of the California Redevelopment Law (CRL), established regulations, which required each redevelopment agency to adopt an Implementation Plan no later than December 31, 1994, and to update the plan every five years. The Redevelopment Agency of the City of Fremont adopted its first Implementation Plan for the Industrial Project Area, the Niles

Original Project Area, and the Irvington Original Project Area in December 1994. The initial Implementation Plan for the Centerville Redevelopment Project was adopted in 1997. A new Implementation Plan for the four project areas was later adopted in 1998 as part of the Report to Council for the 1998 Redevelopment Plan Amendments and Merger Program.

The Implementation Plan requirements include the Affordable Housing Plan requirements for redevelopment agencies enacted by AB 315 in 1992 and AB 637 in 2001. This Implementation Plan has been drafted to meet the requirements of the California Redevelopment Law per AB 1290, SB 372, AB 315 and AB 637.

4. The 1998 Implementation Plan

The 1998 Implementation Plan allowed the original project areas of Niles, Irvington, Centerville, and Industrial, and the proposed added areas in Niles and Irvington to have a common five-year planning and implementation period under the CRL, thus avoiding the confusion to decision makers and the public of having multiple, overlapping and inconsistent planning periods for different geographic portions of Fremont's project areas. The 1998 Implementation Plan also enabled the Agency to set forth a comprehensive and coordinated redevelopment program for each of the project areas that takes into account the financial and legal resources made possible through the 1998 Plan Amendments, including the resources made available through the financial Merger.

5. Contents of the Plan

The Implementation Plan consists of the following components:

- Introduction
- Accomplishments during the past five years
- Summary of Blighting Influences and Deficiencies to be Corrected
- Proposed Activities in the Niles, Centerville and Irvington Project Areas
- Proposed Affordable Housing Activities

The Plan is Flexible

The Implementation Plan is intended to provide general guidance for the implementation of the Agency's redevelopment programs. As discussed above, it is expected that conditions will change in the course of undertaking these programs. Therefore, the Agency intends to use and interpret this Implementation Plan as a flexible guide, incorporating the goals, objectives and potential programs shaping redevelopment agency activities during the Implementation Period, while providing flexibility so the agency may adjust to changing circumstances, resource availability and new opportunities.

The Implementation Plan will be in effect for the period from July 1, 2003 through June 30, 2008, encompassing Fiscal Years 2003/04 through Fiscal Years 2007/08. The Agency will update the plan at least once during the Implementation Period, by June 30,

2006. The Affordable Housing section of the Implementation Plan also addresses ten-year compliance periods for certain affordable housing functions of the Agency, as required by the CRL.

II. ACCOMPLISHMENTS: THE PAST FIVE YEARS

1. Programs and Projects Assisted with Non-Housing Redevelopment Funds

This section provides brief descriptions of public and private improvements supported or implemented by the Redevelopment Agency during the past five years (July 1, 1998-June 30, 2003).

1.1 Niles Project Area

1. **Alameda County Veterans Building Rehabilitation:** In collaboration with Alameda County this historic building was rehabilitated to support use by the veterans and other community groups. ***Agency role:*** Funding and administrative support.



2. **Niles Beach at Quarry Lakes Regional Park:** Include improvements, Niles District information display and brochure, and Discount Coupon Program. ***Agency role:*** Funding, design of Niles display and brochure and coordination of Coupon Program.
3. **Niles Boulevard Streetscape Improvement:** This project included the undergrounding of utilities and the installation of pedestrian-scaled street lighting, trash receptacles, benches, gutters, curbs, and sidewalk improvements. ***Agency role:*** Funding and implementation of bench installation.



4. **Nile Concept Plan:** The City Council adopted the Niles Concept Plan in September 2001. The Plan provides a strategic framework for future revitalization in the area. ***Agency role:*** Funding, implementation and coordination.
5. **Niles Sign Program:** The City Council adopted the Niles Sign Plan in October 1999. Silhouette banners and directional signage were installed in March 2002. Gateway entry signs to Niles have been designed and installation is anticipated in Fall 2003. ***Agency role:*** Funding.
6. **Retail Recruitment Program:** In collaboration with the Office of Economic Development, the Agency worked with property owners, the Niles Main Street Association and Main Street Retail Services (a retail expert retained by the City) on developing a retail marketing and business recruitment strategy for the Niles District. A listing of potential tenants and marketing materials were developed. After completing a series of leasing workshops with the Property Owners Group, a six-month retail recruitment campaign was completed in June 2003. Targeted sectors included restaurants, artisans and specialty retail. ***Agency role:*** Implementation and funding.
7. **Niles Main Street Association Grants:** In 1998, Niles Main Street Association received \$55,000 in grant monies to fund the organization and its activities. In 2002, the organization also received \$68,070 in funding for Niles District revitalization projects and programs as part of the Agency's capacity building grant program. ***Agency role:*** Funding.
8. **District Advertising:** The Office of Economic Development has developed seasonal advertising of the district in local newspaper and general marketing brochures which included individual business district information on Niles. ***Agency role:*** Funding.
9. **Niles District Parking Study:** In March 2003, the Agency Board accepted the final draft of the Niles District Parking Study and directed staff to begin the process to engage the Niles community regarding proposed parking policies to modify off-street parking requirements and revise the existing Niles Parking Assessment District. The goal is to provide incentives for new development in the district and to attract new, complementary retail and restaurant businesses. ***Agency role:*** Funding and implementation.
10. **Former UP Property:** Acquisition / Study Area Master Planning– The Agency is working on a master plan for a study area that includes the former UP property. The master plan will develop a comprehensive site plan that proposes to include a town plaza, new mixed-development, parking and amenities to support a historic railroad. The Agency has begun to engage regulatory agencies in a discussion regarding the site's environmental cleanup required to implement the master plan

and continues in negotiations with UP on the acquisition of the property through the eminent domain process. **Agency role:** Funding and implementation.

11. **Heyman Building Improvement:** The Agency Board authorized a \$250,000 unreinforced masonry building and commercial rehabilitation loan to the property owners of 37627-43 Niles Boulevard. The rehabilitation is complete. **Agency role:** Funded commercial rehabilitation loan.
12. **Fay Louie Building Improvements:** The Agency Board authorized a \$50,000 unreinforced masonry building rehabilitation loan and a \$10,000 commercial rehabilitation loan at 37651-59 Niles Boulevard and a \$50,000 unreinforced masonry building rehabilitation loan and a \$75,000 commercial rehabilitation loan at 37663-71 Niles Boulevard. The rehabilitation is nearing completion. **Agency role:** Funded commercial rehabilitation loan.

1.2 Irvington Project Area

1. **Irvington Concept Plan:** A draft Concept Plan was approved by the Planning Commission and will be considered by the City Council in June 2003. The plan envisions a higher intensity of development around the location of the future Irvington BART station. **Agency role:** Funding and assistance in development of plan document.
2. **Commencement of Plan Amendment process:** The Agency commenced a plan amendment to provide a funding source to contribute to the Irvington BART station. The State budget solution could impact this project and the Agency is awaiting the final resolution of the State budget and its impact on redevelopment agencies before completing this plan amendment process. The Agency is currently working with BART to ensure the Warm Springs Extension is designed in such a way that the Irvington station can be built when funds become available. **Agency role:** Funding and managing plan amendment process.
3. **Washington Boulevard Grade Separation:** The City commenced design for Washington Boulevard to go over railroad and future BART tracks. Currently refining financing plan. Grade separation will facilitate construction of BART tracks and future Irvington BART Station. **Agency role:** Funding and coordination with BART/City on grade separation design.
4. **Bay Street Parking and Circulation Report:** The Agency accepted the final report in October 2000. The report's contents will help inform the Bay Street Planning and Implementation Project. **Agency role:** Funding.

5. **Bay Street Planning and Implementation Project:** The Agency was awarded a Metropolitan Transportation Commission (MTC) planning grant to modify zoning requirements, develop detailed streetscape designs and develop a business improvement district to generate property owner investment in the area. Goal is to create a pedestrian retail district on Bay Street. Work has commenced with design plans scheduled for completion in early 2004. ***Agency role:*** Funding and assistance in development of plan document.



6. **District Advertising:** The Office of Economic Development has developed seasonal advertising of the district in local newspaper. ***Agency role:*** Funding.

1.3 Centerville Project Area

1. **Bill Ball Plaza:** The Agency participated in the development of a new plaza adjacent to restored Centerville Depot. ***Agency role:*** Provided primary financing for project and facilitation of community input.



2. **Centerville Depot Restoration:** The Agency assisted in the relocation and restoration of this historic structure. *Agency role:* Funding and project management.



3. **Alice Miller Building Improvement:** Property owner received commercial rehabilitation loan from the Agency. Façade work recently completed. Tenant signage being designed. *Agency role:* Funded commercial rehabilitation loan.
4. **Silvera Building Improvement:** Seismic retrofitting of unreinforced masonry building. *Agency role:* Funded low interest unreinforced masonry building loan.
5. **Fremont Boulevard streetscape improvements:** Installation of new sidewalks and light standards. *Agency role:* Funding.



6. **Centerville Unified Site:** On February 11, 2003, the Agency Board directed staff to pursue a new mixed-use development of this 6.5 acre site. The Agency had been pursuing a high quality grocery anchored retail project for the site. The Agency has acquired two of three parcels in this unified site, relocated tenants and conducted environmental work to prepare the site for development. The Agency anticipates selection of a developer in late Summer 2003 and commencement of development in late 2004. *Agency role:* Funding for acquisition and clean up of site. Lead role in planning for development of site.

7. **Central Avenue Street Improvements:** Preliminary design work completed for widening of Central Avenue from Fremont Boulevard to Joseph Street, and undergrounding of utilities from Fremont Boulevard to Dusterberry. *Agency role:* Funding and facilitation of community input.
8. **District Advertising:** The Office of Economic Development has developed seasonal advertising of the district in local newspaper. *Agency role:* Funding.

1.4 Industrial Project Area

1. **Dixon Landing Interchange:** Construction began in August 2001. The new eight-lane Dixon Landing bridge was completed in September 2002 and is open to the public. Work continues on the approach ramps and freeway widening. The widening and all but one ramp are scheduled to be completed in Fall 2003, and the project will be fully completed in Spring 2004. *Agency role:* Funding for design, Right-of-Way engineering and construction.
2. **Mission Interchange:** Design and right-of-way engineering activities proceeded throughout 2002. Design will be completed and the project will be ready to bid in June 2003. Construction is scheduled to begin in Fall 2003. *Agency role:* Funding for design, Right-of-Way engineering, and construction.
3. **Other Accomplishments:**
 - Agency acquired Pacific Commons Municipal Parcel site. *Agency role:* Funded acquisition and ongoing management of site.
 - Agency issued tax allocation bond to raise necessary funds for interchange projects, grade separation projects and other key projects in the redevelopment project areas.

2. Programs Assisted with Affordable Housing Funds (20% Housing Set-Aside)

2.1 New Construction

1. **Fremont Oak Gardens (Outside of Project Areas):** The first affordable housing apartment community in Fremont for very low and lower income seniors, featuring amenities and design features oriented to the special needs of deaf seniors. Construction is scheduled to begin in June 2003 and completed in Fall 2004. *Agency role:* Provided \$3.3 million in predevelopment, land acquisition and construction loans.
2. **Bridgeway East (Irvington):** An 18-unit development consisting of transitional and permanent housing for households with incomes ranging from extremely low to low income. Construction plans have been submitted to the City and plan checking is underway. *Agency role:* Provided \$2.75 million in predevelopment, land acquisition and construction loans.

3. **Adams Avenue Homes (Irvington):** Consists of 17 single family homes for first-time homebuyers, with 3 homes built by East Bay Habitat for Humanity and buyers selected from the City's award-winning Housing Scholarship Program. Development was completed in August 2002. ***Agency role:*** Provided \$2,247,206 in housing funds for predevelopment, acquisition and construction. In addition, the Agency provided \$921,374 in non-housing funds for street improvements.



4. **Fremont Vista Retirement Homes (Outside Project Areas):** Assisted living apartment complex consisting of 100 units, with 20 units reserved for very low and low-income seniors for a 55-year period. A groundbreaking was held in March 2003, and grading of the site has begun. Construction is expected to be completed in August 2004. ***Agency role:*** Provided \$2.38 million in development gap financing.
5. **Affirmed Housing (Centerville):** A 132 affordable apartment community for families, which also includes 9 market rate, single family homes. The developer is currently seeking entitlements and plans to submit an application for Low-Income Housing Tax Credits for construction financing in July 2003. If application is successful, construction will begin in March 2004 and completed in February 2005. ***Agency role:*** Provided \$319,715 in predevelopment loan.

New Construction (In Pipeline):

The following projects were initiated in FY 2002-03 and are in the early planning stages. The Agency is working with developers in conducting due diligence for the sites.

1. **Lincoln Street Apartments (Irvington):** Proposed 11-unit development for developmentally disabled residents (11 very low income). ***Agency role:*** Assisting Developer, Housing Consortium of the East Bay (HCEB), in due diligence process. HCEB has submitted request for Agency acquisition and construction loan.

2. **Mercy Family Housing (Outside Project Area):** Proposed development of at least 100 rental housing units for families. Agency role: Provided funds for appraisal and Phase I. Assisting Developer, Mercy Housing California, in due diligence process. Agency consideration of acquisition and construction loan pending. ***Agency role:*** Funding and project management.
3. **Centerville Unified Site (Centerville):** Development plans will include a housing component. The number of affordable units and Agency contribution to project is yet to be determined. The Agency anticipates selection of a developer in late Summer 2003 and commencement of development in late 2004. ***Agency role:*** Facilitation of site development.
4. **Central Avenue Townhomes (Centerville):** A 22-unit approved development, with 2 units reserved for moderate income first-time homebuyer. ***Agency role:*** Acquired Haller's Pharmacy and relocated the tenants to a neighboring site.

2.2 Apartment Acquisition and/or Rehabilitation

1. **Glen Haven Apartments (Centerville):** Acquisition and rehabilitation of an 81-unit apartment complex on Central Avenue in Centerville. When completed, 57 of the units will have rents affordable to very low and low-income households for a 55-year period. ***Agency Role:*** Provided \$3.0 million for acquisition and rehabilitation costs.



Interior Improvements



Exterior Improvements

2.3 First-Time Homebuyers Program

1. **Program Development/Implementation:** Developed and implemented the First Time Homebuyers Program which provides up to \$40,000 in down payment assistance to eligible homebuyers. ***Agency role:*** Provided down payment assistance to 28 First Time Homebuyers and developed/implemented informational workshops, serving over 1,268 potential homebuyers. An additional 45 families who participated in the

City's informational workshops purchased homes using other funding sources, such as CaHLIF, for down payment assistance.

2. **Greenwich Townhomes – Buyer Selection (Irvington):** Agency selected 3 First Time Homebuyers for a 30-unit townhouse development in Irvington. Issued 3 First Time Homebuyer loans to buyers to facilitate acquisition.

2.4 Home Improvement Loan Program

1. **Program Development:** Expanded the Home Improvement Loan Program to allow homeowners in the Redevelopment Project Areas and adjacent neighborhoods to participate in home improvements efforts. The program provides an average of \$30,000 in a low interest loan to help rehabilitate homes to improve residential neighborhoods in Fremont. ***Agency role:*** Provided \$673,046 in grants and loans. A total of 33 homes received Agency assistance, including two households that received a Home Access Grant for the disabled.

2.5 Preservation of Affordable Housing

1. **Affordable Housing Preservation Strategy:** Helped preserve 268 apartments in danger of converting to market rate. All units housed seniors or special needs households. ***Agency role:*** Manage relationship with apartment managers/owners to ensure at-risk units remain affordable, and provide funding for costs associated with initial due diligence, such as updating appraisal. Serve as an intermediary to seek out resources, including federal, state and local financial assistance programs.

2.6 Other Housing Accomplishments

1. **Landlord and Tenant Counseling:** Responded to an average of 200 calls monthly and inquiries from landlords and tenants, and over 100 calls monthly for homeseekers.
2. **Housing Scholarship Program:** Continued administration of the City's Housing Scholarship Program, assisting over 127 families with rental assistance, so that eligible families could become self-sufficient.
3. **Inclusionary Housing Ordinance:** Developed and will implement the City's Inclusionary Housing Ordinance that will require all new residential development, including those in the Project Areas, to reserve 15% of the project as affordable to very low and low income renters and moderate income homebuyers.
4. **Issuance of Bond for Housing Programs:** In May 2003, the Agency will issue a bond secured by 50% of the Affordable Housing Fund (20% housing set-aside of tax increment revenue), creating approximately \$16-18 million to invest in new affordable housing development.

III. IDENTIFICATION OF KEY BLIGHTING CONDITIONS AND DEFICIENCIES TO BE CORRECTED

The Implementation Plan must provide an explanation of how the goals, objectives, programs and expenditures for the next five years will serve to eliminate blight in the Project Areas. This section summarizes the blighting factors that continue to affect the Redevelopment Project Areas. Section IV below describes the goals, objectives and programs for each Project Area, and explains how the programs and projects will help eliminate the remaining blighting conditions.

1. Conditions of Blight Existing in the Niles, Irvington, and Centerville Project Areas

The following is a list of blighting factors that remain in the Project Areas. A definition of the blighting condition is provided, followed by a description of conditions that remain to be corrected in each of the Project Areas.

A. Unsafe Buildings: (Definition) Buildings in which it is unsafe or unhealthy for persons to live or work. These conditions are caused by serious building code violations, deterioration, defective design or physical construction, faulty or inadequate utilities, or other similar factors.

The Project Areas of Niles and Centerville, specifically in the commercial core in Niles and along the Fremont Boulevard commercial strip in Centerville, contain unreinforced masonry buildings and commercial building facades in need of rehabilitation.

Throughout each of the Project Areas, there are numerous residential buildings (single-family, and multifamily developments) that are in need of rehabilitation to make such repairs as re-roofing, new plumbing, new wiring, and replacement of foundations.

B. Inadequate Public Improvements: (Definition) Inadequate utilities, aging and deteriorating streets, and deterioration of, or lack of curbs, gutters, and sidewalks.

Throughout the Project Areas, specifically in Irvington and Centerville, there are streets with inadequate street improvements, including: curbs, gutters, and sidewalks; improvements to encourage pedestrians, such as benches, planters, street trees; and lighting.

C. Inadequate Parking Opportunities: (Definition) Lack of parking may prevent or hinder the economically viable use or capacity of buildings or lots.

Throughout the Project Areas, specifically in the Fremont Boulevard commercial corridor in Centerville and the Bay Street commercial area in Irvington, parking is inadequate for

the commercial businesses. The lack of visible, accessible and adequate parking makes the area far less attractive to shoppers, and discourages commercial development of the existing buildings.

D. Underutilized properties: (Definition) These may include lots of irregular form and shape, are inadequate in size for proper usefulness and development, and/or are under multiple ownership. These sites might also suffer from environmental problems related to hazardous materials that inhibit private development.

The Project Areas of Irvington and Centerville contain underutilized vacant lots and properties that suffer from inadequate lot size and shape and/or are under multiple ownership, making acquisition and development of such parcels a challenge for potential developers. In all three Project Areas, there are key sites that contain environmental hazards that have inhibited, and will continue to inhibit private development until problems are addressed.

E. Lack of Neighborhood Commercial Opportunities: (Definition) Lack of necessary commercial facilities that are normally found in neighborhoods, including grocery stores, drug stores, banks and other commercial business.

The commercial core in Niles is underutilized, and is deficient in neighborhood shopping and commercial opportunities. Encouraging mixed-use development (including retail, other services, and residential uses) within the commercial district will be necessary to build upon and complement existing antique stores and to attract other commercial businesses to the area.

2. Conditions of Blight Existing in the Industrial Project Area

The major blighting condition in the Industrial Project Area is the underutilization of the land resulting from the Area's inaccessibility. The ability to achieve the critical community and regional economic objectives continue to be hindered by the Area's inaccessibility. The following major conditions contribute to the Project Area's inaccessibility, and result in underutilization of land.

A. Interstate-880 (I-880) Interchanges: Work remains to be completed on the two I-880 interchanges (Mission Boulevard and Dixon Landing Road). The existing configurations of these interchanges impede traffic on I-880 and on surrounding streets and intersections.

B. Public Infrastructure and Circulation Impairments: Fremont Boulevard is congested, and until it is widened, it will continue to obstruct the flow of traffic in the Project Area.

C. Multimodal transit station: The lack of a multimodal transit station is a major contributing factor to the Project Area's inaccessibility and the Area's unmet economic development potential. While interchange improvements and Fremont Boulevard

widening will facilitate personal vehicle access, public transportation alternatives for the Project Area are becoming more and more critical to the region.